(b) if so, for what period this reduction in airfare would be valid; and

(c) whether Air India would be able to sustain the expenses incurred on domestic flights keeping in view the heavy losses it has already incurred in the past?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) The recent move by Air India to reduce the domestic airfares was in response to the APEX fares filed by the other domestic carriers. This will be valid until further notice.

(c) Most of the domestic sectors on Air India are an extension of international flights. Competitive domestic fares help to fill up seats on domestic legs, which otherwise would have operated empty. These domestic sectors are a source of additional revenue for Air India.

Concessional airfares to holiday travellers

148. DR. AKHILESH DAS:
SHRI KALRAJ MISHRA:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Indian Airlines, Air Alliance and Air India announced concessional air fares for holiday travellers this year;

(b) if so, the details of the concessions and the fares offered; and

(c) how far (giving percentage) they were successful in capturing/cornering the holiday-air-travel fares collections *vis-a-vis* private air operators?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI RAJIV PRATAP RUDI): (a) and (b) Yes, Sir. Air India has introduced off-season holiday packages to boost inbound tourists to India as well as to improve seat factors on the Gulf/India and UK/Europe/India routes during the lean season. Air-India holiday packages were introduced in the Gulf and Middle East from March 15, 2003 and are valid till September 30, 2003 with a black out period from June 25, 2003 to July 15, 2003. These holiday packages cover two destinations *viz.* Goa and Kerala. The duration of holiday packages for Goa is 3 nights 4 days and for Kerala is 6 nights 7 days. The special fares for these holiday packages are approximately 20% lower than the current

market fares applicable from these markets, namely, UAE, Oman, Qatar, Bahrain, Kuwait and Saudi Arabia. Air-India has not introduced its own holiday packages from UK and Europe. However, the Indian Association of Tour Operators (IATO) has been offered fares for putting together their own holiday packages to India from UK and Europe. The fare given to IATO is at the same level as is available with tour operators/Travel agents in Europe. The fares given to IATO are valid only during specified lean period in the specific route *i.e.* UK/India/UK and Europe/India/Europe, the period specified is 19th August, 2003 to 30th September, 2003 and 15th March, 2004 to 30th June, 2004. The fares cannot be sold separately, *i.e.* without any land arrangements and can only be used as part of regular brochure tour package. Moreover, the ticket on these fares can only be issued in the country of origin of travel and by a licensed tour operator in that country.

(c) Although the Air India holiday packages were welcomed by the tourism trade, their launch unfortunately coincided with the build up of tensions in the Gulf region. Consequently passengers from the Gulf countries were disinclined to undertake leisure travel. As a result, these holiday packages were unable to attract substantial number of tourists due to the uncertain situation.

As regards Indian Airlines, they have not announced any special Air fares for holiday travellers this year but has ongoing concessional airfares and holiday packages which were introduced in the past and are continuing.

Phasing out of Boeing Aircrafts

149. SHRIMATI SHABANA AZMI:
DR. T. SUBBARAMI REDDY:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India has decided to sell a Boeing B747-200 aircrafts which has been grounded since January;

(b) if so, whether the other two B747-200s owned by the airline would also be phased out;

(c) if so, what is the total number of aircrafts that are being phased out by Air India;